

 <p>Financial Assistance Award</p> <p>DENALI COMMISSION 510 L Street, Suite 410 Anchorage, Alaska 99501 (907) 271-1414 (phone) (907) 271-1415 (fax) www.denali.gov</p>		Award Number	01119-00		
		Award Title	Kodiak Island Transportation Study		
		Performance Period	May 1, 2009 through December 31, 2010		
Authority 112 Stat 1854		CFDA Number 90.100			
Denali Commission Finance Officer Certification		Jennifer Price 04/28/2009			
		Recipient Organization & Address Kodiak Island Borough 710 Mill Bay Road Kodiak, AK 99615 Phone: 907 486-9300 Recipient DUNS # 159043244 TIN # 92-0030845			
Cost Share Distribution Table					
Accounting Code	New Funding		Prior Period Funding		Total
	Denali Commission	Other Contributors	Denali Commission	Other Contributors	
95670000AL	\$125,000.00		\$0.00		\$125,000.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
State of Alaska thru Kodiak		\$100,000.00		\$0.00	\$100,000.00
Local Match		\$25,000.00		\$0.00	\$25,000.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
Total	\$125,000.00	\$125,000.00	\$0.00	\$0.00	\$250,000.00
This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission constitutes an obligation of federal funding.					
Award Conditions to the Financial Assistance Award Between the Denali Commission and Kodiak Island Borough For Kodiak Island Transportation Study Continued on Page 2					
Signature of Authorized Official - Denali Commission Electronically Signed		Typed Name and Title George Cannelos Federal Co-Chair		Date 04/28/2009	

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AWARD CONDITIONS

1. ***Award Conditions to the Financial Assistance Award Between the Denali Commission and Kodiak Island Borough For Kodiak Island Transportation Study***

1. ***Scope of Work***

The Denali Commission is providing \$125,000 in FY08 FHWA Section 1960 SAFETEA-LU funds to the Kodiak Island Borough for the subject project. The Kodiak Island Borough is providing \$125,000 in State and Local funds as match through its overall project. Denali Commission funds and matching funds will be managed by the Kodiak Island Borough.

This project includes an examination of the transportation modes serving Kodiak Island in order to develop a comprehensive transportation network wherein the best methods of connecting Kodiak Island communities and addressing their needs for delivery of goods, services and passengers. A study of the island's existing transportation systems and the needs of the island's communities, with analysis of different land and marine-based transport links, will identify how changes and improvements to the existing infrastructure can provide improved transportation services for these communities. Improved transportation services will reduce costs, improve the convenience of travel and transport, safety, and promote economic development to sustain the six communities within the Kodiak Island Borough.

This proposed study will examine existing air, road, and marine transportation and develop recommendations for system and infrastructure improvements with an emphasis on surface transportation opportunities. Kodiak City is the obvious candidate for the regional transportation hub due to existing surface and air infrastructure. This study will identify where connections between transportation modes can be made and where improvements to efficiencies can be facilitated.

Project performance shall be monitored and measured on a quarterly basis using the documentation of record (project nomination) as a reference point, making updates as necessary. The following items shall be monitored and reported in the narrative of the quarterly report:

1. Improves pedestrian and vehicular safety
2. Reduces maintenance costs
3. Improves access to fuel and freight
4. Improves intermodal connections

The project sponsor (Recipient) has demonstrated the administrative capability for managing Denali Commission funds, as documented by the Denali Commission Transportation Program Manager (Manager) and retained in the subject award file. Denali Commission, in consultation with the Federal Highway Administration, Alaska Division (FHWA) will provide financial management and project development technical assistance throughout the project to assist in successful project execution.

All payments for design and/or construction tasks associated with the subject project are on a reimbursable payment basis.

Contractual and consulting services used in this project shall be procured in an open and fair competitive manner, consistent with the Federal Acquisition Requirements (FARS) and other applicable federal law.

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Contractual services procured through sole-source contracts, or through processes that do not meet the FAR and/or Title 23 requirements, will not be eligible for Denali Commission funding.

Prior to starting the competitive-bid process for design engineering and/or construction management services, the Recipient will meet in a pre-bid meeting with the Manager to review the procurement process.

The Manager, in consultation with FHWA, will work with the Recipient to develop a procurement process applicable to project conditions. The Manager will approve the procurement process prior to advertising for design engineering and/or construction management services.

Subsequent to the successful award of a design engineering and/or construction management contract, the Recipient, the successful firm and the Manager will conduct a post-award meeting to review FHWA requirements associated with the contract tasks.

DESIGN

Design development and management will begin with a competitive bid process for design engineering services that meets Title 23 USC requirements, including advertising in regional and statewide publications. Prior to advertising, the project sponsor will submit the procurement process and advertising package to the Manager for approval. Subsequent to selection, the Recipient will conduct a post-award meeting as outlined in the paragraph above.

A selected design-qualified engineering firm will execute tasks and develop products including, the National Environmental Policy Act (NEPA), design, utilities, and Right of Way approvals, including the Buy America Steel program, appropriate for Title 23 USC requirements and site conditions. The Manager, in consultation with FHWA will conduct subsequent product reviews and approvals as needed. If the project is funded for and scheduled for construction, the engineering firm will prepare construction bid documents for review and approval, and will execute subsequent advertising, selection and negotiation tasks for the Recipient.

CONSTRUCTION

Construction Management will be accomplished through a qualified construction management firm, selected by the Recipient through a competitive bid process compatible with Title 23 USC requirements. Prior to advertising, the project sponsor will submit the procurement process and advertising package to the Manager for approval.

If construction bid documents are not in place for the Denali Commission funded project, the selected engineering firm will prepare construction bid documents for approval, and will execute subsequent advertising, selection and negotiation tasks for the Recipient.

The Recipient, through the selected engineering firm, will execute construction under Davis-Bacon wage requirements and in accordance with the project's approved NEPA environmental documents, Corps of Engineers permits, and other federal, state and local permits.

The Recipient owns the facility and will ensure a clear Right of Way adequate for construction. The approved environmental and Right of Way documents will be retained in the project's file at Denali Commission. The Recipient is responsible for ongoing

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maintenance after construction is complete.

All Commission funding is intended for use for the scope of work identified in the Award document only. Any balance of funds remaining after the full scope of work has been completed will be returned to the Denali Commission.

2. ***Milestones***

The following milestones are identified as the major steps to be completed as part of the project. "Planned" dates for the first milestone are included here. As part of each progress report, recipients shall update the progress toward meeting these milestones (see section 7, Reporting).

Milestone	Planned		Actual			Total Cost At Completion
	Start Date	End Date	Start Date	End Date	Units	
Construction	04/01/2009	12/31/2010			0	\$0.00
Project Close-out	01/01/2011	03/31/2011			0	\$0.00

3. ***Award Performance Period***

The Award performance period is April 1, 2009 through December 31, 2010. This is the period during which Award recipients can incur obligations or costs against this Award.

4. ***Direct and Indirect Costs***

The cost principles of OMB Circular A-87 are applicable to this Award. Direct costs associated with the Kodiak Island Borough Transportation Study project are allowed under this document. Indirect costs associated with the Kodiak Island Borough management of Denali Commission funds are allowed at the rate established by Denali Commission at 5.00% for 2009 for Title 23 funds. Please refer to the cost principles regulations for specific details on other allowable charges under this Award.

5. ***Budget and Program Revisions***

The Administrative Circular, OMB A-102, applies to this Award. Please refer to the Administrative Circular for specific details on revisions to this Award. The Administrative Circular requires that the Kodiak Island Borough will inform the Commission in writing (e-mail, letter, or report) at the earliest possible date of any unanticipated project cost overrun, project schedule delays, or changes in the project scope or changed site conditions.

6. ***Payments***

Payments under this Award will be made by electronic transfer in response to a "Request for Advance or Reimbursement", Standard Form 270 (SF-270) submitted by Kodiak Island Borough. Requests for advances or reimbursements may be made at the end of each quarter or as needed. The SF-270 must be submitted to the Denali Commission via fax, e-mail (finance@denali.gov) or mail in order for payment to be processed. The form is

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available on the OMB website: http://www.whitehouse.gov/OMB/grants/grants_forms.html. Payments shall be made in accordance with OMB A-102. Please contact the Denali Commission's Finance Manager at (907) 271-1414 for further information about submitting this form. **No interest will be accrued on these funds.**

7. **Reporting**

Two forms of project reporting are required under this Award, listed below. The Kodiak Island Borough shall submit reports using the Denali Commission's on-line Project Database System, available at www.denali.gov. If there are technical limitations which may prevent the recipient from meeting this requirement, please contact the Program Manager listed in this agreement.

a. **Progress Reports** shall be submitted on a quarterly basis. The first reporting period is April 1, 2009 through June 30, 2009, and quarterly thereafter. Reports are due within 30 days of the end of the reporting period. Progress reports shall include the following:

- i. Total project funding, including both Denali Commission funding and other project funding sources.
- ii. The total project expenditures for the project as of the end of the reporting period, including both Denali Commission and Other funding sources.
- iii. Updated schedule and milestone information as identified in the Scope of Work
- iv. Narrative summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems.
- v. For minor repair and renovation projects or other non-construction projects, pictures should be provided of before and after, or photos that are representative of the funded activity, to the extent possible. Photos shall be provided in a digital format as part of the on-line report. A short description of the activity and names of those in the photos shall also be provided.

b. **Federal Single Audits** shall be submitted annually, when required. In accordance with OMB Circular A-133, which requires [subpart 200] "Non-Federal entities that expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part [subpart 205]. The determination of when an award is expended should be based on when the activity related to the award occurs."

Recipients shall also submit single audits to the Federal Clearinghouse as designated by OMB. Information can be found on the following web-site: <http://harvester.census.gov/sac/>.

In addition to reporting quarterly, the Kodiak Island Borough shall meet twice annually with the Commission to report lessons learned and project status. These meetings shall include community participation.

8. **Project/Award Close-Out**

The project close-out report shall be completed within 90 days of the end of the Award performance period or within 90 days of the completion of the project, whichever is earlier.

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Recipients must also draw down any remaining funds for expenditures incurred under this award during this 90-day period.

The project close-out report shall be submitted on-line through the Denali Commission's on-line Project Database System, available at www.denali.gov. The project close out will require the recipient to submit the following information:

- a. Final data for each item listed in paragraph 7(a) "Progress Reports"
- b. Final project expenditures itemized by the following categories: planning & design; materials & equipment; freight; labor; project administration/overhead and other expenses.
- c. Acknowledgement of support: For all non-construction projects, the Award recipient shall include an acknowledgement of the Government's support for the project(s) developed under this Award. The format for acknowledgement of the Government's support for non-construction awards will vary with each award and must be agreed upon between the Award recipient and the Denali Commission Project Manager. Costs associated with this requirement shall be paid out of the project funding received by the Award recipient from the Denali Commission.

9. Public Policy Laws and Assurances

Award Recipients are required to comply with the public policy laws and assurances on Standard Forms SF 424b (non-construction projects). This form must also be signed by a certifying official of the organization.

The attached Federal Highway Administration Form 47 is also required for reporting on construction phase activities funding under CFR Title 23 regulations. Some of the laws are highlighted below for your reference.

To the maximum extent practicable, considering applicable laws, Funding Recipients shall accomplish the project contemplated by the Award using local Alaska firms and labor.

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

Project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required for each project undertaken with Denali Commission funds.

10. Non-Compliance with Award Conditions

Recipients not in compliance with the terms and conditions of this Financial Assistance Award will be notified by the Denali Commission. The Denali Commission will work with the recipient to identify the steps necessary to bring them back into compliance, and will establish an appropriate time frame for the corrections to be made. If the corrections have not been made by the deadline, the Denali Commission reserves the right to either suspend or unilaterally terminate the Financial Assistance Award for non-performance.

11. Program Manager, Financial Manager & Other Contact Information

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Denali Commission	Kodiak Island Borough
Mr. Mike McKinnon Transportation Program Manager 510 "L" Street, Suite 410 Anchorage, AK 99501 Phone: 907-523-9877 Fax: 907-271-1415 E-mail: mgmckinnon@gci.net	Mr. Woody Koning, Engineering/Facilities Director Project Manager 710 Mill Bay Road Kodiak, AK 99615 Phone: 907-486-9340 Fax: 907-486-9394 Email: wkoning@kodiakak.us
Ms. Betty Sorensen Grants Administrator 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-3415 Fax: 907-271-1415 E-mail: bsorensen@denali.gov	Mr. Karleton Short Finance Director PO Box 167 710 Mill Bay Road Kodiak, AK 99615 Phone: 907-486-9320 Fax: 907-486-9399 Email: kshort@kodiakak.us
	Ms. Dria Holloway General Accountant PO Box 167 710 Mill Bay Road Kodiak, AK 99615 Phone: 907-486-9321 Fax: 907-486-9392 Email: dholloway@kodiakak.us